



THE Agricultural Situation

JANUARY 1951

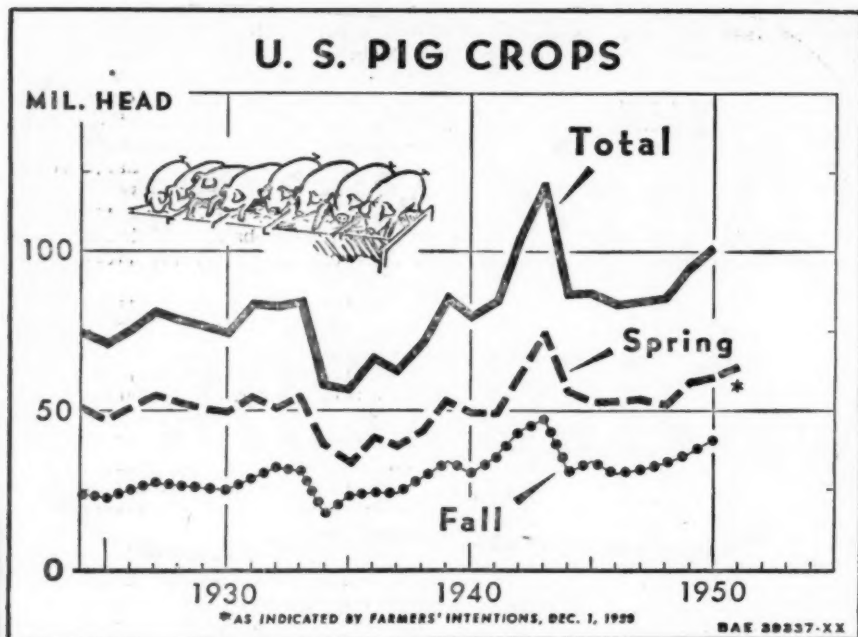
Volume 35 Number 1

	Page	
More Spring Pigs Planned	2	Harold F. Breimyer
New Wheat Rust Develops	4	B. B. Bayles
Grass, Legume Seed Supplies	6	George C. Edler
Outlook Highlights	7	
Dairy Surpluses Disappearing	8	Herbert C. Kriesel
Land Values to New Peaks	9	
Cattle Grades Changed	10	C. L. McColloch
Cotton Leading Auto Fiber	11	
Retail Price of Potatoes	12	
Clothes Buying Habits Studied	13	

[**The AGRICULTURAL SITUATION is sent free to crop and price reporters in connection with their reporting work**]

Editor: Wayne Dexter

A monthly publication of the Bureau of Agricultural Economics, United States Department of Agriculture, Washington, D. C. The printing of this publication has been approved by the Director of the Budget (February 4, 1949). Single copy 5 cents, subscription price 50 cents a year, foreign 70 cents, payable in cash or money order to the Superintendent of Documents, Government Printing Office, Washington 25, D. C.



More Spring Pigs Planned; 1950 Crop Tops 100 Million

HOG FARMERS are planning their third successive increase in numbers of spring pigs.

They reported on December 1 that they intended to have 4 percent more sows farrow during the spring-farrowing months, December through May, than they had last spring. If litters should be as large as average (allowing for trend), 63.5 million pigs would be saved, 6 percent more than last spring. This 1951 crop would be the second largest spring pig crop on record. The only larger one was in 1943 when a huge crop was produced to meet special war-time needs for meat.

Most of the increase in sows to farrow spring pigs will come in the Corn Belt, the big producing region. The average percent increase indicated there is 5 percent. In each of the five States, Illinois, Iowa, Missouri, Ne-

braska, and Kansas producers plan gains of 6 percent or more in number of sows. On the other hand, hog farmers in Ohio, Indiana, Michigan, Wisconsin, Minnesota, and North Dakota expect to keep few or no more sows for farrowing this spring than they had last spring.

Regions outside the Corn Belt also are looking toward an expanded pig crop, but only in the South Atlantic region is the intended increase as large as the United States average. In the Northeast and the West, where 1950 sow numbers were considerably below those in 1949 and the 1939-48 average, only slight increases are in prospect for the spring of 1951.

Farmers have been increasing their numbers of fall as well as of spring pigs. The 1950 fall crop—made up of pigs born between June 1 and November

30—was 40.7 millions, 9 percent more than the 1949 fall crop. Numbers of fall pigs have gone up for four straight years.

The 1950 fall crop was larger than had been indicated by farmers' intentions last June, when a 5-percent increase was in prospect. About 2 percent more sows farrowed than seemed likely in June, and the average number of pigs saved per litter was up to a record 6.05 compared with 6.51 in the fall of 1949.

Emergency Changes Plans

That farmers surpassed their intentions for fall pigs and are now planning for more spring pigs can probably be attributed to national defense programs. Except for them, farmers probably would have leveled off hog production in 1950 in response to the lower prices received early in the year. By the first part of 1950, a downswing in prices of hogs had carried them well below their very high peaks after the war. Barrows and gilts sold at Chicago in January-March 1950 for an average price of about \$16 per 100 pounds, compared with yearly averages of \$25.21 in 1947 and \$23.27 in 1948.

The 3-year price decline came about because consumers were no longer willing to pay as high prices for pork as they had earlier and almost equally important, because shortages of fats and oils had ended. The price of lard dropped by two-thirds from March 1947 to March 1950—a reduction large enough to affect considerably the price of hogs on the hoof.

Farmers became more optimistic about prospects for profits in hogs when prices turned sharply upward last May. Later events such as the Korean war and a renewed national defense effort reinforced their outlook. Prices of slaughter hogs declined less, and were consistently \$2 to \$3 higher, during the flush supply season this past fall than in the fall of 1949.

Prices hit their low point a little early in 1950—about the end of November—and the trend was slowly upward in December, despite a very large slaughter in that month. Prices will probably move up a good deal more in the first couple of months of 1951, and

throughout 1951 are likely to be moderately higher than in 1950.

Costs of feed in 1951 also will be higher. In December, corn was worth about 40 cents per bushel more than in the previous December, and its price is expected to continue above a year earlier. However, the seasonal increase in the price from present levels is likely to be moderate, because a moderate rise in price probably will draw sizable quantities out of reserve stocks into feeding use.

The total supply of corn is nearly as large as last year and is more than ample for this year's needs. Less of it, than last year, is new crop corn and more is carryover. The 1950 corn crop of 3,151 million bushels was the fourth largest ever produced. It was, however, smaller than the 1949 crop and less than the probable volume to be fed; hence, stocks may be pulled down about a third this year.

The hog-corn ratio, which reflects the relative favorableness of hog prices by showing the number of bushels of corn that can be bought with the price of 100 pounds of hogs, was about average this fall. It may be a little above average through much of 1951, and thus still on the favorable side for hog production. But it will probably be less favorable than the unusually high ratios of the last two years.

More Corn in Prospect

Farmers may have a bigger corn crop in 1951 from which to feed out their spring pigs. The corn acreage was reduced in 1950 as a result of acreage allotments, but allotments for 1951 will be high and a larger acreage is likely. If yields are as good as average, the 1951 corn crop will be larger than the 1950 crop.

The larger pig crops this past fall and planned for next spring will result in a larger hog slaughter in 1951 than in any peacetime year in history. Probably around 4 million more hogs will be slaughtered than in 1950. The extra quantity of pork produced will supply the larger requirements of the armed forces and still provide a little more pork for each person of the growing civilian population.

Harold F. Breimyer
Bureau of Agricultural Economics

No Commercial Varieties Resistant

New Wheat Rust Race Develops

A NEW RACE of wheat stem rust—called 15B—damaged the durum wheat crops of North and South Dakota and Minnesota in 1950. This was the first time in several years that wheat stem rust has caused any important loss to wheat in this country.

The new race of rust is the most virulent ever found in North America. None of the varieties of winter and spring wheat now grown commercially are resistant to it. The extent to which 15B will damage the 1951 wheat crop will depend largely on the weather this winter and spring.

Although the 1950 durum wheat crop was damaged by 15B rust, hard red spring varieties in the Dakotas and Minnesota suffered very little loss. This was mainly due to the fact that the rust developed late in the season and most fields were too near maturity to be seriously damaged. The new race of rust also was found in 14 other wheat-producing States in 1950.

Caused by Fungus

Wheat stem rust is caused by a parasitic plant called a fungus. It attacks the leaves, stems, and heads of susceptible plants, reduces the yield and causes the grain to be shrivelled, and of light test weight. The summer rust spores which are released from the red pustules on the infected plant blow to other wheat plants and cause new infection.

In about 10 days from the time infection takes place, a new crop of spores is produced. When the first infection occurs at about the time the crop is coming into head, several generations of the red spores may attack the plants before they are mature.

Stem rust cannot live on wheat over winter except under mild conditions such as are found in southern Texas and northern Mexico. When susceptible varieties are grown in that area and when weather conditions are favorable for the development of the rust organism, a serious rust epidemic may de-

velop on the local wheat crop. If large quantities of spores are produced in southern Texas and northern Mexico in April and May when wheat is approaching maturity, they will be carried by the south winds to fields in northern Texas and Oklahoma.

Since the wheat crop is progressively later to the north, rust can multiply many times before it reaches the spring wheat region. Before resistant varieties were grown on a larger scale, losses in the spring wheat area ranged as high as 100 million bushels.

Develops on Barberry

There are several races or varieties of stem rust just as there are varieties of wheat. New races may be produced when the rust organism grows on barberry bushes which serve as a host for one stage of its life cycle. The epidemic of 1950 was caused by race 15B which had previously been found only in the vicinity of barberry bushes.

The varieties of hard red spring and durum wheat grown on most of the acreage in the Dakotas, Minnesota, Manitoba, and Saskatchewan for more than 10 years were bred for resistance to stem rust. They are resistant to all races in North America except 15B.

In addition to North Dakota, South Dakota, and Minnesota, race 15B was identified in 1950 in Colorado, Illinois, Iowa, Kansas, Michigan, Missouri, Montana, Nebraska, Ohio, Oklahoma, Pennsylvania, Texas, Wisconsin, and Wyoming.

To combat this destructive race of stem rust, the United States Department of Agriculture, the State Experiment stations, the Canadian Department of Agriculture, and the Rockefeller Foundation, working with the Mexican Ministry of Agriculture, are pushing threefold attack:

An intensive, speeded-up program to develop adapted resistant varieties for the major wheat-producing areas;

The development of resistant varieties for growing in southern Texas and

What To Do About the New Rust Threat

Wheat specialists of the United States Department of Agriculture make the following recommendations to wheat growers:

- Do not change wheat varieties because of stem rust race 15B. None available at present are known to be resistant.
 - Plant good seed of an improved recommended variety. Certification insures good quality of seed.
 - Plant spring wheat as early as the land can be properly prepared, as the earlier a crop matures the less it will be damaged by rust.
 - Use phosphate and potash fertilizers where needed to induce early maturity.
 - Follow the recommendations of your State Agricultural Experiment Station and Extension Service.
 - Report bushes that might be barberry to your county agricultural agent.
-

northern Mexico where stem rust overwinters; and

The eradication of barberry bushes to prevent the development of additional virulent races.

Test Varieties Resistant

While all varieties now grown on farms are susceptible to the new race, some experimental lines in the breeding programs were highly resistant under epidemic conditions in 1950. While they have been grown only in preliminary tests, some of these lines appear to be adapted and to have good milling and baking quality.

Wheat breeders and pathologists selected the lines that showed resistance in the nurseries last summer and small quantities of seed of some 600 were planted in Southern California in November for quick seed increase. These lines are being subjected to further tests in greenhouses at experiment stations this winter to determine which are most resistant to race 15B. The best of 600 lines will be harvested in California in April and tested, as thoroughly as seed supplies will permit, at experiment stations in the spring wheat region during the 1951 season.

Some 12,000 wheats collected over the last half century from all wheat-growing countries of the world are being tested to locate the best sources of resistance for use as parents in the breeding programs.

The time required to develop new spring wheat varieties can be reduced by growing a winter generation in

southern California or Arizona and a summer generation in the North. Even with this practice, it requires several years of selection and testing after a hybrid is made to develop a successful new variety. Once a new variety is ready for increase, seed supplies can be built up in 2 or 3 years to plant a significant part of the spring wheat acreage.

Whether or not serious damage from race 15B will occur in the 1951 crop will be determined by weather conditions in Texas and northern Mexico this winter and in States to the north next spring.

The north winds last fall carried spores of 15B from the heavily infected fields of the spring-wheat area southward and it was found on fall-planted wheat in Texas. If weather conditions in Texas and northern Mexico are severe this winter, either through low temperatures, drought, or both, the disease may be largely eliminated.

On the other hand, if it is able to live in abundance, through the winter, and weather conditions are warm and humid in the spring in south Texas and northern Mexico it may produce large quantities of spores in the wheat fields in that area. Then if weather conditions are favorable for rust development in wheat-growing areas to the North, race 15B may cause heavy damage, since all commercially grown varieties of winter and spring wheat are susceptible to it.

B. B. Bayles
Bureau of Plant Industry, Soils and
Agricultural Engineering

Grass, Legume Seed Supplies Largest on Record

CURRENT supplies of 30 kinds of grass and legume seeds total nearly 1.5 billion pounds, the largest on record and enough to plant about 77 million acres.

These supplies are more than half again as large as a year ago and also that much larger than the average for the 5 years prior to last year. Supplies of 23 kinds are larger than those of last year, and 19 are above average.

Supplies of winter-cover-crop seeds for 1950-51 show the largest increases over those for the preceding season and also over the average. Supplies of these seeds after harvest last summer were $2\frac{1}{2}$ times as large as in 1949 and nearly $2\frac{1}{2}$ times the 1944-45 average.

Current supplies of alfalfa, lespedeza and the clovers (except crimson), are 8 percent larger than last year and 22 percent larger than average supplies. Supplies of grass seeds are 30 percent larger than last year, and 2 percent above average.

1950 Crops Large

Record 1950-51 supplies of grass and legume seeds resulted from the large 1950 crops. Carry-over stocks were below average. The 7.8 million acres of these seeds harvested in 1950 were the largest acreage ever harvested, 30 percent larger than that of 1949 and 24 percent larger than the 1944-48 average. Although harvests of most seed crops in 1950 were later than usual, the weather was favorable for seed development. Damage from frosts and insects was less than usual. The result was above-average yields of many seeds.

In 1950, record crops of red clover, Ladino clover, orchard grass, tall fescue, Austrian Winter peas, Wild Winter peas, lupine, hairy vetch, and common ryegrass seed were produced. Production was at near-record levels for alfalfa, sweetclover, Kentucky bluegrass, smooth brome, Chewings fescue, and red fescue. On the other hand,

below-average crops of alsike clover, white clover, lespedeza, redbud, meadow fescue, crested wheatgrass, Hungarian vetch, and purple vetch were harvested.

Wholesale prices of 10 out of 20 grass and legume seeds about December 1, 1950, were higher than a year ago, and prices of 15 were above average. Largest advances over a year ago were shown for Chewings fescue, Korean lespedeza, meadow fescue, alfalfa, and Sudan grass. Declines were sharpest for timothy, smooth brome, crested wheatgrass, and red clover.

Exports Decline

Our foreign trade in grass, legume and winter-cover-crop seeds has been marked by decreasing exports and increasing imports. The 12.8 million pounds of grass and legume seeds sold abroad during the year ending June 30, 1950, was only about half as much as in 1948-49. Exports since June 30 have continued to decline.

Unless an unforeseen emergency occurs, Government shipments of seeds will be small this year. Dealers in western Germany and in Austria are importing seed directly instead of through governmental agencies. Other countries which had been buying from the United States Government either are producing enough to meet their requirements or are importing largely from other countries.

The rise in imports of grass and legume seeds has resulted from the recovery of agricultural production in Europe, the devaluation of the currency there, the aid extended Europeans by the United States Government, and larger crops in Canada in recent years.

Imports of the seeds for which estimates of United States production are made, totaled 17,924,800 pounds, during the July-October 1950 period. Seventy percent was crimson clover. During the same months a year earlier, 14,295,200 pounds, half of which was common vetch, was imported. The 1944-48 average for July-October is 5,159,600

pounds. During the July-October 1950 period, imports of grass and legume seeds were below the same four months of 1949 but the drop was more than offset by increased imports of winter-cover-crop seeds.

While supplies of grass and legume seeds for planting this year are adequate, some concern already is being felt about supplies for planting in 1952. Because of the current emergency, relatively less attention is likely to be paid to the harvesting of these seeds this year than last, when interest in grass

and forage crops was high. Attention this year and next is likely to be focused on the production of food and feed crops. This will probably mean decreased production and consumption of grass and legume seeds in 1951 and 1952. However, the need for forage is likely to be even greater in the years ahead. Producers of grass and legume seeds should do everything possible to maintain their capacity to produce hay and pasture seeds in the years ahead.

George C. Edler

Bureau of Agricultural Economics

Outlook Highlights

... JANUARY 1951

Crop Output Third Largest

American farmers produced the third largest volume of crops on record during 1950. Production was exceeded only in 1948 and 1949 and was above the average of the previous eight years, the most productive period in American agriculture.

High production was obtained despite the fact that the total harvested acreage of the 52 principal crops was the smallest since 1942. However, yields per acre averaged the second highest on record.

Only crops setting new production records in 1950 were soybeans, sorghum grain, sugar beets and red clover seed. Output of corn, oats, all hay, rice, potatoes, popcorn, tobacco, cranberries and alfalfa and sweet clover seeds were very large. The crops of cotton, cottonseed, peaches and apricots were relatively small. The following crops were very small, ranging from one-half to two-thirds average: Rye, buckwheat, sorghum forage, dry peas, cowpeas for peas, velvetbeans, broomcorn, sorgo and sugarcane sirup.

Good Start on Winter Wheat

Prospects for the wheat crop on December 1 indicate that another big crop is likely to be produced this year.

First estimate of the new crop indicated production of 899 million bushels, a fifth more than in 1950 and the third largest of record.

Farmers seeded an estimated 56 103,000 acres to winter wheat last fall, six percent more than in the fall of 1949, and 17 percent more than the 10-year average.

Weather in late summer and fall was generally favorable and the crop got off to a good start. However, there has been depletion of surface soil moisture in the Great Plains from Kansas southward since September.

Prices Rise Further

With consumer demand getting stronger, prices of farm products and other commodities generally continue to rise.

Prices received by farmers in mid-December climbed 4 percent above the previous month. This brought the total increase since mid-June—just before the Korean war broke out—to 16 percent.

Sharpest gains from mid-November were scored by eggs, wheat, corn, soybeans, flaxseed, cottonseed and wool. Cotton, grapefruit, hogs and chickens declined.

Farmers' costs are also rising. Prices paid by farmers including interest, taxes and wage rates set another new record in mid-December and now average 4 percent above June.

Wholesale prices of industrial commodities continue to move up and in late December were 11 percent above the pre-Korean level.

(Continued on page 14)

Butter and Cheese

Surpluses Are Disappearing

THE SURPLUS situation of the dairy industry of the United States is rapidly vanishing.

Annual rates of production of butter, cheese, and nonfat dry milk, the items purchased for price support, have been declining in recent months. Withdrawals of butter and cheese from storage have been heavy. We are beginning to see demand increase relative to supplies and prices are rising.

The transition from the surplus situation has developed as the result of the increase in consumer demand. When demand for milk is declining relative to supply, production of butter usually increases. The opposite is usually the case when demand is increasing. To a lesser extent, cheese output also fluctuates in this manner.

During 1949 and the first part of 1950, milk output rose and production of butter increased. The purchase of butter by USDA was relied on heavily to support prices to farmers for manufacturing milk.

Purchases of dairy products for price support began in early 1949 and continued until last fall, except for a short period in the winter of 1949-50. Purchases during 1949 and 1950 included 242 million pounds of butter, 148 million pounds of cheese and 793 million pounds of nonfat dry milk solids.

Record in September

Some of the Government stocks were sold in early 1950, but they continued to increase after that time until September when they reached their highest level. At that time the Government's unsold supplies were 191 million pounds of butter, 109 million pounds of cheese (October 1) and 411 million pounds of nonfat milk solids. Holdings of cheese by private firms also reached a record in September.

Following outbreak of war in Korea, demand for dairy products increased as consumer incomes continued to expand. Milk production remained quite steady except for seasonal variations. Consumption of fluid milk and cream was

higher than a year earlier throughout 1950. Since this outlet has first call on milk supplies, output of several other products had to be reduced.

As usual, butter felt the greatest impact of this shift. Production fell under that of a year earlier during the third quarter of 1950. No butter and only moderate quantities of cheese were bought for price support after September. Sales from stocks increased steadily at first and rose rapidly in December. By the middle of December, all of the cheese acquired under the purchase program had been committed and unsold supplies of butter held by the Government were negligible.

Butter Stocks Still Large

These heavy sales were only partly merely a transfer to private concerns. Total withdrawals of butter and cheese from storage were the largest on record during late November and December.

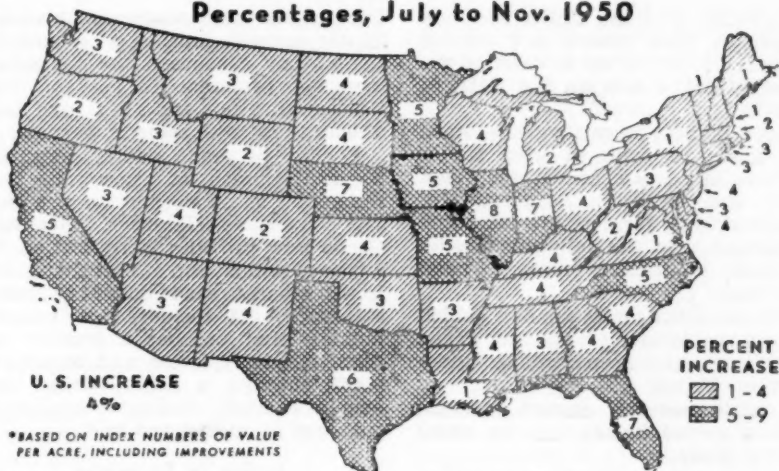
Despite these heavy withdrawals, total stocks of butter in storage are still larger than in most years and cheese stocks are a record for this time of year. But this situation will not last indefinitely. Consumption of both products now exceeds the present annual rate of production. There is little likelihood that production of either item will increase significantly in coming months, except for seasonal increases, since milk production is not likely to expand and consumption of fluid milk and ice cream probably will rise.

The dairy industry will continue to make an important contribution to the nutritional well-being of the Nation through the use of a still greater proportion of the nonfat solids of milk. In 1950, there was still about one-fourth of the solids-nonfat produced that was used for feeding livestock or wasted. This is a very welcome reserve of food already produced but not now being used, for that purpose.

Herbert C. Kriesel
Bureau of Agricultural Economics

CHANGES IN DOLLAR VALUE OF FARM LAND*

Percentages, July to Nov. 1950



U. S. DEPARTMENT OF AGRICULTURE

NEG. 47933-XX BUREAU OF AGRICULTURAL ECONOMICS

Land Values Reach New Peak

FARM LAND prices rose throughout the country during the 4 months ending November 1.

The 4-percent increase in the national average brought the index to 179 (1912-14=100), 7 percent above a year earlier and 1 percent above the previous peak of November 1948.

Land values moved upward in all States from July to November, but the Midwestern States showed the largest increases. Illinois led with an 8-percent rise; gains of 6 to 7 percent occurred in Indiana, Nebraska, Texas, and Florida. Average increases were 2 percent for the New England and Middle Atlantic States and 3 percent in the Mountain States.

The rise since July has been more general and at a faster rate than from late 1949 through mid-1950. The November index was above a year ago in all but 3 States and at new postwar peaks in 23 States. Compared with a year ago, values in Florida, Minnesota, Iowa, Illinois, Indiana, and Texas were up 10 percent or more.

The current strength in the farm real-estate market stems from the improvement in farm income that has occurred since Korea and the outlook for continued favorable income in 1951. Farm real-estate dealers report a substantial increase in the number of inquiries to buy farms. Demand appears to be especially strong in the East and West North Central States where there is renewed interest in the purchase of farmland as a hedge against inflation.

A part of this demand is from businessmen and investors, but farmers who already own some land are also in the market. They seek not only to obtain a safe investment but also to increase the scale of their operations to take advantage of the expected higher returns from farming. Other classes of buyers in the market include tenants who have been forced to purchase in order to obtain a farm, and persons who have been holding off buying in the expectation that land prices would be lower.

Cattle Grades Are Changed

To Fit New Carcass Grades

FARMERS who use USDA livestock market news reports are reading and hearing new terms to describe the grades of cattle sold on the Nation's markets.

These changes in cattle grades have been made to conform with recent revisions in carcass grades for steer, heifer, and cow beef. As a result of these revisions, farmers are becoming acquainted with the following grades and grade designations in market news quotations:

- Prime cattle prices are now quoted because the former Choice and Prime cattle grades have been combined under the name Prime:

- Cattle formerly quoted as Good are now quoted Choice, the new name for this grade.

- A new grade called Good which includes cattle formerly included in the top half of the medium grade.

- In addition, Medium is no longer used as a grade designation. The remainder of this grade has been renamed Commercial and includes the lower quality young animals and well finished older steers and cows.

- Utility is the new grade name for cattle formerly called Common.

Two Grades Unchanged

While the changes in Prime, Choice, and Good grades bring slaughter (live) cattle grades in line with carcass grade changes, renaming Medium and Common as Commercial and Utility gives the slaughter and carcass grades uniform terminology throughout. No change was made in either Cutter or Canner grades.

These changes affect grades for steers, heifers, and cows. In bull and stag grades, names for Medium and Common grades have been changed to Commercial and Utility.

In making these revisions, Livestock Branch officials point out that many changes have occurred in both cattle and meat trading since the grades were first promulgated nearly 25 years ago.

The trend in cattle production is toward lighter animals finished at a younger age. Many consumers are indicating increasing preference for beef that provides smaller cuts and has a high ratio of lean to fat with some tenderness.

A shift in grade names permitted the establishment of a new grade that recognizes these production practices and consumer preferences. The Good Grade now provides identification for a type of animal and of beef that didn't have a separate grade under the former standards. It includes the younger animals that produce a smaller cut, high lean to fat ratio, and because of youth produce a fairly tender beef. The new grade facilitates trading in this type of animal and beef.

Easier to Interpret

Market news quotations on these younger and less finished animals are now more accurately interpreted by those using market news. The price spread in old Medium grade (from which the new Good grade came) was so wide that the quotations were virtually useless. The wide range came about because both old and young cattle were grouped together in the old Medium grade.

The revisions in slaughter grades are closely related to changes made in carcass grades. The revisions have made some change in the federally graded beef now appearing in retail shops. In brief, these changes include:

Prime—(A combination of former Prime and Choice grades.) This grade provides an excellent quality of beef with a wide selection of cuts suitable for roasting and broiling.

Choice—(Formerly Good grade.) This grade consists of high quality beef which carries less surplus fat than Prime. Cuts are juicy and tender with a desirable flavor. Most cuts may be broiled or roasted.

Good—(Beef from the higher quality young animals formerly graded Commercial.) Beef of this grade is rela-

tively tender and has a high ratio of lean to fat providing consumers with economical meat dishes.

Commercial—(The remainder of the former Commercial grade.) The bulk of this beef comes from mature animals and has a beefy flavor. Cuts will require different methods of cooking because of less natural tenderness. This grade will provide many economical meat dishes.

All Federal meat grading is done by trained USDA employees whose work is frequently reviewed to maintain uniformity in grades throughout the country. Carcass grading is voluntary and self-supported by a fee paid by the owner of the meat.

The slaughter (live) animal grades are available as guides to all who wish to use them as such. They are not applied officially except as they are used by USDA livestock market news reporters. Market reporters always strive to keep their grading of live animals correlated with carcass grades so that the bulk of the cattle reported as being of a certain grade will produce carcasses of that grade. The reporters quote prices at all markets on the basis of USDA grades and provide a nationwide uniform price reporting system for livestock markets.

C. L. McColloch
Production and Marketing Administration

Cotton Is Leading Automobile Fiber

COTTON is the leading material now used in finishing the interiors of automobiles, according to a report made by the Bureau of Agricultural Economics.

Over three-fifths of the total poundage used to finish interiors of 1950 closed models was cotton; 12 percent foam rubber, 10 percent wool. The cotton so used amounted to about 197 million pounds, nearly 400 thousand bales.

Wool was the leading fiber used in upholstery and side walls of closed cars (51 percent); cotton led in headlining (26 percent) and seat padding (70 percent). All car sheeting was reported as made of cotton. Ranking second to

cotton for seat padding was foam rubber (nearly 20 percent).

Of the different fibers and materials used in tops for 1950 convertibles—45 percent of the total was cotton, 3 percent rayon, and 52 percent latex.

Figuring in the report were 6,618,233 closed cars and 234,121 convertibles.

The report is based on a survey of automobile executives, particularly those responsible for decisions in buying textile materials. Cooperating with EAE were the Bureau of Human Nutrition and Home Economics, Agricultural Research Administration, the Production and Marketing Administration, and the Southern Regional Research Laboratory. It was financed with Research and Marketing Act funds.

Compound Helps Cotton Resist Dirt

Housewives may soon lighten their washday work by using a simple, inexpensive compound in laundry rinse water to make cotton clothes and other cotton goods harder to soil and easier to clean.

The new treatment is a result of research at the Institute of Textile Technology, Charlottesville, Va., on a project sponsored by the United States Department of Agriculture. It consists of adding a small amount of a compound known as "CMC" to the final rinse water each time cotton goods are washed. This compound makes cotton fabrics more resistant to soiling and permits them to be laundered with less soap than ordinarily would be required.

CMC already has a variety of industrial applications. Although readily available in wholesale quantities, the compound is not yet on the market in small packages convenient for home use.

Where It Goes

The RETAIL PRICE OF POTATOES In Three Major Cities



U. S. DEPARTMENT OF AGRICULTURE

NEG. 47029-XX BUREAU OF AGRICULTURAL ECONOMICS

MARKETING charges for 66 test shipments of early white potatoes from seven southeastern producing areas to four northern cities averaged 4.8 cents per pound, according to a report recently released by the Bureau of Agricultural Economics. Retail prices for these shipments averaged 7½ cents per pound. Growers received 2.7 cents.

If shrinkage, waste, and spoilage had been taken into account, marketing charges would have exceeded 5 cents per pound.

Returns to producers were considerably higher in Florida, Alabama, and South Carolina than in North Carolina and Virginia. An important reason is the difference in the varieties of potatoes marketed.

Red Bliss Triumph, Pontiac, and Sebago are the chief varieties marketed from Florida, Alabama, and South Carolina. These potatoes are frequently washed before they are shipped from the packing house. In North Carolina and Virginia Irish Cobblers are the main variety grown. They have deep eyes and are often blighted and are

not usually washed. Consequently, they bring lower prices.

Charges for picking up and hauling potatoes to the packing shed varied little among areas. Grading and packing charges varied considerably, chiefly because of differences in types of containers and amounts of labor used. Selling charges at the shipping point were about the same in all areas except Alabama where special methods of sale made this charge seem relatively high. Transportation charges varied directly with the distance to market. Retail charges varied only slightly with two exceptions. Charges for Dade County potatoes marketed in New York City amounted to \$5 per hundred-weight, the highest. Retail margins were lowest—only 86 cents—for Virginia potatoes marketed in Philadelphia.

This study was financed under the Research and Marketing Act. Cooperating agencies were BAE, the agricultural experiment stations of the States where the study took place and the Bureau of Plant Industry, Soils, and Agricultural Engineering.

Men's Clothes Buying Habits Studied in Survey

HOW MANY wool suits, coats, and sports jackets do men buy, how often do they buy them, and what influences their selections?

The answers to these and related questions were sought by the Bureau of Agricultural Economics in a survey made in June 1949 which also covered several other articles of clothing. This information is of value to farmers who produce raw materials to the extent that it results in increased demand for these materials, to manufacturers of clothing, and to technicians who work on improvement of fibers and construction of materials.

Men questioned in the survey were a representative cross-section of those 16 years old or older living in households. The survey was financed under the Research and Marketing Act. Cooperating with BAE were the Bureau of Human Nutrition and Home Economics and the Production and Marketing Administration.

Half of all suits in the wardrobes of the men at the time they were interviewed were owned by only 18 percent of the men. A tenth of the men did not own a suit; an additional 20 percent had not bought one since 1944 or earlier. Nearly a third said they owned only one winter or year-round suit.

Sports Jackets Extra

Of the men questioned, 36 percent said they had a sports jacket. Nineteen percent had only one and 17 percent had two or more. More than nine out of 10 owners of sports jackets also had at least one suit, indicating that sports jackets were considered extra garments.

Fifty-seven percent of the men interviewed had either an overcoat or a topcoat, 26 percent had both, and 17 percent had neither. The proportion with topcoats was a little larger than the proportion owning overcoats. The survey indicated there has been a trend in recent years toward buying topcoats rather than overcoats.

Many of the men who had purchased a suit in the 1945-49 period said they had bought them to maintain a good appearance on business or social occasions. Others bought because they wanted to build a "fashionable" or balanced wardrobe; had needed a suit when discharged from the armed services; had been attracted by a display; or had seen a chance to save money. Most of the men who had not bought a suit since 1944 or earlier had jobs that called for work clothes and had little occasion to wear suits.

Other reasons for buying suits included: the need for a suit for a special occasion, wanted a change from the old suit, the old suit no longer fit, family members or friends urged them to buy.

Had Definite Ideas

Most of the men who bought suits in 1945-49 had definite ideas about what they wanted. The majority had made up their minds about colors or patterns, fibers, weaves, weights of material and style. Price, fit, suitability of suit for intended use and performance of the fabric also were mentioned frequently.

The popularity of sport jackets is largely based on their comfort. Over half of the men owning one, liked them because they are loose fitting, lightweight and easy to slip on and off. Forty-one percent said that they liked the way a sports jacket made them feel and look informal and relaxed, put them in the mood for fun, and permitted them to wear other informal clothes like sports shirts. The fact that sports jackets were in fashion also was an important reason for buying them. Economy and appearance played a minor part in influencing purchasers.

The growing popularity of sports jackets raises the question of whether they are coming to be substitutes for suits and will eventually affect sales of suits.

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and State]

Commodity	5-year average		Dec. 15, 1949	Nov. 15, 1950	Dec. 15, 1950	Effective parity prices Dec. 15, 1950 ¹	
	Base per.od price 1910-14 ¹	January 1950- Decem- ber 1950					
Basic commodities:							
Cotton (round).....	cents.	\$ 12.4	10.34	26.47	41.13	40.36	32.36
Wheat (bushel).....	dollars	1.884	.837	1.93	1.04	2.03	2.31
Rice (cwt.).....	do.	1.98	1.65	4.31	5.33	5.32	5.25
Corn (bushel).....	do.	1.642	.691	1.13	1.37	1.45	1.63
Peanuts (pound).....	cents.	4.8	3.55	10.4	11.0	10.9	12.5
Designated nonbasic commodities:							
Potatoes (bushel).....	dollars	1.12	.717	1.32	.878	.889	1.83
Butter (1 pound).....	cents.	27.7	29.1	63.3	63.5	64.8	73.4
Milk, wholesale (100 lb.).....	dollar	1.73	1.81	4.21	4.44	4.45	4.58
Wool (pound).....	cents.	20.1	23.8	48.0	72.2	70.8	83.3
Other nonbasic commodities:							
Barley (bushel).....	dollars	1.610	.532	1.09	1.14	1.19	1.54
Cottonseed (ton).....	do.	26.30	27.52	43.30	98.40	102.00	69.70
Flaxseed (bushel).....	do.	1.71	1.09	3.53	3.14	3.59	4.53
Oats (bushel).....	do.	1.289	.340	.659	.806	.849	.928
Rye (bushel).....	do.	1.720	.564	1.26	1.32	1.37	1.79
Sorghum, grain (100 lb.).....	do.	1.21	1.17	1.79	1.77	1.88	2.00
Soybeans (bushel).....	do.	1.00	.654	2.69	2.54	2.70	2.65
Sweetpotatoes (bushel).....	do.	.921	.807	2.02	1.48	1.73	2.44
Beef cattle (100 lb.).....	do.	6.78	6.56	19.00	25.00	25.40	18.00
Chickens (pound).....	cents.	11.4	14.9	22.3	22.6	22.3	20.2
Eggs (dozen).....	do.	21.5	21.7	40.5	45.6	57.7	53.3
Hogs (100 lb.).....	dollars	7.52	8.38	14.40	17.80	17.70	19.90
Lambs (100 lb.).....	do.	7.48	7.70	21.00	23.70	27.40	19.80
Veal calves (100 lb.).....	do.	7.62	7.80	22.00	23.20	28.90	20.20
Oranges, on tree (box).....	do.	2.29	1.11	1.23	1.46	1.71	3.74
Apples (bushel).....	do.	1.04	.90	1.59	1.96	2.12	2.76
Hay, baled (ton).....	do.	8.71	11.20	21.90	21.20	21.50	23.10

¹ Adjusted base period prices 1910-14, based on 120-month average January 1949-December 1949 unless otherwise noted.

² Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

³ 60-month average, August 1909-July 1914.

⁴ Revised.

⁵ 10-season average 1919-28.

⁶ Transitional parity, 95 percent of parity price computed under formula in use prior to Jan. 1, 1950.

⁷ Preliminary.

Outlook Highlights

(Continued from page 7)

Meat Animals to Rise

Prices of most classes of meat animals are expected to go up this winter. Slaughter of cattle and hogs have passed the fall season peaks and meat production probably will drop moderately early in 1951. Consumer demand will continue strong.

Egg Stocks Used Up

Consumers bought more eggs than were produced this fall and storage stocks of shell eggs were practically gone by early November. With farm production in November declining below October, egg prices advanced. In mid-December, average prices received by farmers were 12.1 cents above

a month earlier and 17.2 cents above a year earlier. Prices in important terminal markets broke sharply after mid-December.

Supplies of poultry meat are seasonally large with storage stocks near seasonal peaks in December.

Larger Citrus Crops

The new orange crop is up slightly from 1949-50 while the grapefruit crop is expected to be a third larger. Prices are not likely to rise much this winter. Prices for grapefruit are expected to average considerably under those of early 1950 but orange prices may average only slightly lower.

Farmers Hold Soybeans

From September through November, 12 percent less soybeans arrived at pri-

(Continued on page 16)

Economic Trends Affecting Agriculture

Year and month	Industrial production (1935-39=100) ¹	Total income of industrial workers (1935-39=100) ²	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) ³	Index numbers of prices paid by farmers (1910-14=100) ⁴			Index numbers of prices received by farmers (1910-14=100) ⁵			
					Commodities	Wage rates for hired farm labor ⁴	Commodities, interest, taxes, and wage rates	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....	58	50	100	100	100	100	100	100	100	100	100
1915-19 average.....	72	90	152	158	149	147	148	147	153	162	157
1920-24 average.....	75	122	221	160	159	181	168	159	163	121	140
1925-29 average.....	98	129	232	143	151	184	161	161	155	145	152
1930-34 average.....	74	78	179	107	117	121	124	105	94	83	91
1935-39 average.....	100	100	199	118	124	121	125	119	108	117	115
1940-44 average.....	192	236	315	139	148	211	132	169	147	166	162
1945 average.....	203	291	389	154	180	359	189	230	194	207	219
1946 average.....	170	276	382	177	197	387	207	267	197	248	241
1947 average.....	187	328	436	222	231	419	240	272	210	329	287
1948 average.....	192	354	472	241	250	442	259	300	235	361	314
1949 average.....	176	325	478	226	246	430	255	251	219	311	272
December 1949.....	179	325	480	221	237	-----	246	261	194	280	255
January 1950.....	183	323	470	221	238	* 422	249	254	158	286	249
February.....	180	316	474	223	237	-----	248	250	155	306	257
March.....	187	337	493	223	238	-----	250	243	163	30	258
April.....	110	340	496	223	240	* 24	251	235	161	312	256
May.....	195	340	502	228	244	-----	254	230	154	342	269
June.....	196	* 362	513	130	245	-----	255	227	150	342	268
July.....	196	* 366	516	138	247	* 425	256	232	173	371	287
August.....	209	392	526	243	248	-----	258	240	191	369	292
September.....	* 212	397	* 529	247	* 252	-----	261	248	197	372	298
October.....	* 215	406	540	247	253	* 228	261	261	201	358	296
November.....	-----	-----	-----	250	255	-----	263	267	209	357	299
December.....	-----	-----	-----	257	257	-----	265	272	249	360	311

Year and month	Index numbers of prices received by farmers (1910-14=100) ¹								Parity ratio ²
	Crops							All crops and livestock	
	Food grains	Feed grains and hay	Tobacco	Cotton	Oil-bearing crops	Fruit	Truck crops	All crops	
1910-14 average.....	100	100	100	100	100	100	-----	100	100
1915-19 average.....	193	161	183	175	201	126	-----	171	164
1920-24 average.....	147	128	189	197	153	157	* 152	162	150
1925-29 average.....	141	118	169	150	145	146	145	143	148
1930-34 average.....	70	76	117	77	78	98	104	84	88
1935-39 average.....	94	95	172	87	113	95	95	99	107
1940-44 average.....	123	119	241	138	170	150	164	145	154
1945 average.....	172	161	360	178	228	244	207	203	206
1946 average.....	201	196	376	237	260	250	182	227	234
1947 average.....	270	249	374	272	363	212	226	263	275
1948 average.....	250	250	380	270	351	174	214	252	285
1949 average.....	219	170	398	245	242	199	201	223	240
December 1949.....	219	168	394	223	225	174	196	210	233
January 1950.....	218	170	382	222	228	185	261	219	235
February.....	219	171	389	231	228	186	263	215	237
March.....	224	174	389	236	230	193	198	210	237
April.....	227	151	389	242	239	206	205	225	241
May.....	230	190	387	246	248	195	178	223	247
June.....	218	190	388	251	254	207	182	225	247
July.....	226	195	387	278	267	211	200	236	263
August.....	224	193	396	311	293	200	164	239	267
September.....	221	194	426	336	303	217	126	243	272
October.....	219	188	426	327	300	207	138	238	268
November.....	224	192	428	346	351	194	188	250	276
December.....	223	202	436	339	366	202	211	258	286

¹ Federal Reserve Board; represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from data furnished by Bureau of Labor Statistics and Interstate Commerce Commission on pay rolls in mining, manufacturing, and transportation; monthly data adjusted for seasonal variation. Revised January 1950. ³ Bureau of Labor Statistics.

⁴ Revised January 1950. ⁵ Farm wage rates simple averages of quarterly data, seasonally adjusted.

* Revised. ⁷ Preliminary.

⁸ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis. ⁹ 1924 only.

Outlook Highlights

(Continued from page 14)

many grain markets than a year earlier, even though the crop was much larger than in 1949. This contributed to the sharp rise in prices in November. However, marketings later in the season will be heavier than usual. This will tend to limit further price advances.

Feed Grains Rise

Feed grain prices moved higher from November to December with No. 3 yellow corn at Chicago reaching the highest level in over 2 years. Oats and barley prices have been above supports in recent months. Corn and sorghum grains had advanced to about the support level by mid-December.

Molasses Feeding Heavy

Farmers fed a record volume of molasses to livestock in the 1949-50 feeding year. The bulk of it was blackstrap and beet molasses, though some corn sugar and citrus molasses also was fed.

Less molasses probably will be fed in 1950-51. Much of the total supply will be required for manufacture of alcohol and other industrial products. Furthermore, molasses prices rose sharply during 1950 and are high compared to corn and other feed.

Potato Purchases Heavy

By mid-December, the Government had purchased 31 million bushels of potatoes for price support, more than twice as many as had been bought by the same date last year.

Potato yields averaged more than 22 bushels above the 1948 record this year. Output topped 1949 even though the acreage was down 4 percent.

UNITED STATES
DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL ECONOMICS
WASHINGTON 25, D. C.
OFFICIAL BUSINESS

PENALTY FOR PRIVATE USE TO AVOID
PAYMENT OF POSTAGE, \$300
(GPO)